

REBOSIS PROPERTY FUND LIMITED
(Incorporated in the Republic of South Africa)
(Registration number 2010/003468/06)
JSE share code: REA ISIN: ZAE000240552
JSE share code: REB ISIN: ZAE000201687
Alpha code: REBI
(Approved as a REIT by the JSE)
("Rebosis" or "the Company")



UPDATE ON THE DISPOSAL OF A PORTFOLIO OF PROPERTY ASSETS

Shareholders are referred to the announcement released on SENS on 21 October 2021 (the "**21 October Announcement**"), wherein the Company advised that it, together with its wholly-owned subsidiary Ascension Properties Limited (collectively the "**Rebosis Group**"), had concluded agreements ("**Transaction Agreements**") with Ulircraft Proprietary Limited (the "**Purchaser**"), in terms of which the Purchaser will acquire from the Rebosis Group the portfolio of rental enterprises (and accompanying immovable properties) ("**Rental Enterprises**") ("**Sale Portfolio**") as described in the 21 October Announcement, as a going concern and for an aggregate cash consideration of R6 319 099 000 (the "**Transaction**").

Shareholders were further advised that the Transaction was entered into subject to certain conditions precedent, one of which being that the Purchaser must confirm in writing to the Rebosis Group that it is satisfied with the outcome of the due diligence investigation being undertaken by it in respect of the Sale Portfolio before 11 March 2022. The Transaction Agreements made provision for an individual estimated NOI ("**Individual Estimated NOI**") in respect of each of the Rental Enterprises in the Sale Portfolio. This value was calculated, initially, as an amount equal to the agreed individual purchase price ("**Individual Purchase Price**") attributable to that Rental Enterprise multiplied by 9.5% (being the agreed yield at which the Sale Portfolio is to be sold in terms of the Transaction). An upward change to the Individual Estimated NOI of any Rental Enterprise will cause an upward change to the Individual Purchase Price attributed to each Rental Enterprise, and *vice versa*.

The written notice of the Purchaser's satisfaction with the outcome of the due diligence investigation has been issued to the Rebosis Group timeously, and has been countersigned by the Rebosis Group, thus indicating that it recognises the fulfilment of the applicable condition precedent.

The Transaction Agreements include provisions in terms of which, during the due diligence investigation period, the Parties may agree to exclude certain Rental Enterprises from the Sale Portfolio or agree on adjusted Individual Purchase Prices for certain Rental Enterprises ("**Reduction Rights**"). In accordance with these Reduction Rights, the Parties have agreed that the Transaction shall be implemented on the basis that the Purchaser shall acquire from the Rebosis Group the Sale Portfolio of Rental Enterprises, which Sale Portfolio has been reduced through the removal of 11 Rental Enterprises (the "**Revised Sale Portfolio**") (as outlined more fully below) as a going concern, for an aggregate cash consideration of R3 354 852 709 (the "**Revised Purchase Consideration**") at a blended yield of 9.4%.

During the due diligence investigation the sale of certain Rental Enterprises comprising the Sale Portfolio ("**Conditional Enterprise(s)**") was also made conditional upon the fulfilment by a specific date ("**Fulfilment Date**") of certain conditions in respect of each such Conditional Enterprise. If any condition stipulated by the Purchaser in respect of a Conditional Enterprise has not been fulfilled before the relevant Fulfilment Date, the Purchaser is entitled, at its discretion, to waive the requirement to fulfil that condition and may request that the Conditional Enterprise be included in the Portfolio once again, failing which such Conditional Enterprise will be excluded from the Transaction. The Revised Sale Portfolio details are outlined below:

Rebosis Sale Portfolio:

Property name	Valuation (R)*	Revised Individual Estimated NOI	Revised Individual Purchase Price	Conditional/ unconditional
OFFICE SECTOR				
Victoria Mxenge, Gauteng	570 000 000	65 463 522	727 372 467	Unconditional
124 Main Street, Gauteng	338 000 000	31 772 807	353 031 189	Conditional
Bank of Lisbon, Gauteng	152 000 000	15 858 025	166 926 575	Unconditional
18 Rissik Street, Gauteng	196 000 000	18 686 928	207 632 533	Unconditional
Arbour Square, Gauteng	89 000 000	7 404 817	74 048 170	Unconditional
Revenue Building, Kwa-Zulu Natal	92 200 000	10 048 076	111 645 289	Unconditional
64 Eloff Street, Gauteng	65 000 000	6 200 981	68 899 789	Unconditional
SASSA Campus, North-West	160 000 000	12 592 695	125 926 950	Conditional
Antalis, Gauteng	108 000 000	9 353 038	93 530 380	Unconditional

Total Rebasis Portfolio	1 770 200 000	177 380 889	1 929 013 342
--------------------------------	----------------------	--------------------	----------------------

* the valuations were performed in November 2021 by Quadrant Properties, who is independent from the Company and registered as a professional valuer in terms of the Property Valuers Profession Act, 47 of 2000.

Ascension Sale Portfolio:

Property name	Valuation (R)*	Revised Individual Estimated NOI	Revised Individual Purchase Price	Conditional/ unconditional
OFFICE SECTOR				
VWL Building, Gauteng	263 000 000	21 058 702	233 985 578	Unconditional
Prorom, Mpumalanga	84 000 000	7 023 466	78 182 956	Conditional
Spectrum, Western Cape	119 000 000	7 945 030	79 450 300	Unconditional
Sigma Building, Western Cape	46 000 000	4 091 272	45 458 578	Unconditional
174 Visagie Street, Gauteng^	253 000 000	25 496 808	254 968 080	Conditional
238 Roan Crescent, Gauteng	113 000 000	9 787 652	97 876 520	Unconditional
373 Pretorius Street, Gauteng^	165 000 000	17 649 454	176 494 540	Conditional
Kingfisher, Gauteng	13 800 000	1 124 382	10 221 655	Unconditional
Meyersdal, Gauteng	56 000 000	4 398 953	39 990 482	Unconditional
Mishumo House, Gauteng	66 500 000	5 957 680	59 576 800	Conditional
NBC, Gauteng^	130 000 000	13 518 504	122 895 491	Conditional
Surrey House, Gauteng	202 000 000	20 406 455	226 738 389	Unconditional
Total Ascension Portfolio	1 511 300 000	138 471 358	1 425 839 367	

Total Portfolio	3 281 500 000	315 852 247	3 354 852 709
------------------------	----------------------	--------------------	----------------------

* the valuations were performed in November 2021 by Quadrant Properties, who is independent from the Company and registered as a professional valuer in terms of the Property Valuers Profession Act, 47 of 2000.

^ these properties are in the process of being converted to student accommodation and, as such, are vacant currently.

The Revised Sale Portfolio and Revised Purchase Consideration have been agreed to in order to procure that the Transaction may close more expeditiously as this equates to a lower quantum of equity required by the Purchaser. Further, the Purchaser has indicated its willingness to proceed with the acquisition of the balance of the assets (the excluded Rental Enterprises) subject to a capital raise and the fulfilment of certain other conditions.

The Transaction Agreements also provide that the Transaction is subject to a further condition precedent requiring the Purchaser to obtain finance before 22 April 2022 in the amount of the Revised Purchase Consideration agreed between the parties. The Company will be able to confirm the fulfilment of this condition precedent in due course.

25 March 2022

Transaction sponsor

JAVACAPITAL